GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) to (d) Information is being collected and it will be placed on the Table of the House.

News-item on Compensation system

1009. SHRI MUKHTIAR SINGH MALIK: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the press report which appeared in the Hindustan Times of the 24th February, 1989 under the heading "Compensation system to be streamlined";

(b) if so, what are the details thereof;

(c) what amount of funds have been allocated for this purpose; and

(d) whether Government propose to implement this scheme in all States and if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) The details of the two Schemes mentioned in the Press Report are as under:—

1. Personal Accident Insurance Social Security Scheme for Poor Families

The Personal Accident Insurance Social Security Scheme for Poor Families was announced in 1985-86 Budget for 100 districts in the country, to begin with. The Scheme was extended, in phases, to 214 districts in the country since its introduction on 15th August, 1985. With effect from 15th August, 1988, the Scheme has been extended to all the districts in the country which remained uncovered so far and thus the whole country now stands covered under the Scheme. The Scheme covers all people in the age group of 18 to 60 whose total family income from all sources does not exceed Rs. 7,200 per annum. A sum of Rs. 3,000 (and not Rs. 30,000 as mentioned in the Press Report) is payable to the dependents of the deceased earning members of poor families comprising of Landless Labourers, Small Farmers, Traditional Craftsmen etc. in the event of accidental death. The Scheme is administered through the General Insurance Corporation of India and its four subsidiaries *viz.* (i) National Insurance Co. Ltd., (ii) New India Assurance Co. Ltd., (iii) Oriental Insurance Co. Ltd. and (iv) United India Insurance Co. Ltd. with active collaboration of the State Governments/Union Territories. The entire premium cost in respect of the Scheme is borne by the Central Government.

2. Hut Insurance Scheme for Poor Families in Rural Areas

Hut Insurance Scheme for Poor Families in Rural Areas was introduced w.e.f. 1st May, 1988. The Scheme provides relief to poor families in rural areas when their huts and belongings are destroyed by fire. Poor families whose annual income does not exceed Rs. 4,800 are eligible under the Scheme. In the event of loss due to fire, the insurance company will pay to the insured a sum not exceeding Rs. 1,000 for hut and a sum not exceeding Rs. 500 for belongings in the hut destroyed by fire. The Scheme is being operated by General Insurance Corporation of India and its four subsidiaries. The entire premium cost in respect of the Scheme is borne by the Central Government.

(c) As stated above, the Central Government pays the premium to GIC for these two Schemes and in consideration thereof, the general insurance industry issues Master Policies covering the entire eligible population under the two Schemes. The claims under these two Schemes are paid by the general insurance industry only, and not by Govt.

(d) All the districts in every State/Union Territory in the country already stand covered under both the Schemes.